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OSCEOLA COUNTY RESIDENT PLEADS GUILTY TO FALSE CLAIMS AGAINST THE GOVERNMENT

Orlando, Florida - United States Attorney Robert E. O'Neill today announced that JULIA A. MERCED, a 37-year-old resident of Kissimmee, pled guilty to two counts of False Claims Against the Government. The maximum penalties MERCED faces at sentencing is ten years' imprisonment and a fine of \$789,632.

According to court documents, MERCED, utilized the Internal Revenue Service (IRS) Electronic Filing Program (ELF) to file multiple fictitious claims for a refund of income taxes for the tax years 2001, 2002 and 2003. MERCED predicated her false scheme on the fraudulent use of other taxpayers' identifying information. In one case, MERCED used an actual taxpayer's name but modified his address, employer and dependents; in all others, she used a deceased taxpayer's information to claim a refund on his or her behalf. These tax returns were filed via a computer from her house and/or on her laptop using variations of MERCED's and her relatives' physical addresses, e-mail addresses, P.O. Boxes, and telephone numbers. For the majority of the returns, MERCED also applied to Refund Anticipation Loans (RAL) on behalf of the deceased individuals. These refunds were deposited into bank accounts held by MERCED or her mother. Other than the false ELF claims for MERCED and her nephew, see below, for the 2001 tax year, thirty-nine

false ELF claims were made to the IRS, which totaled \$194,651; for the 2002 tax year, twelve false ELF claims were made to the IRS, which totaled \$62,913; and for the 2003 tax year, seven false claims made to the IRS which totaled \$39,482. The total of these false claims is \$297,046.

MERCED prepared a false ELF Form 1040A for the tax year 2003 for her nephew, which resulted in a tax loss of \$4,247. MERCED also filed false ELF Form 1040s for the tax years 2002 (\$57,912 tax loss) and 2003 (\$35,611 tax loss) for her own Form 1040s, which resulted in a total tax loss for the two years of \$93,523. The total tax loss for all of MERCED's conduct is \$394,816.

The case was investigated by the Internal Revenue Service and is being prosecuted by Assistant United States Attorney I. Randall Gold
